



Did you check in?

*University of Washington certificate program in  
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# What are location-based Social Networks?

- applications which allow users to interact, share, meet up, and recommend places based on their physical coordinates
- Smartphones or tablet with GPS are needed
- 2009 was the golden year for "Lo-So" and today there are hundreds of them, some very specialized (chatting, flirting, gaming, traveling etc.)

# Most popular "Lo-So" in the world

## Location Based Networking apps

1	<b>Foursquare</b> <a href="#">map</a> <a href="#">review</a>	
2	<b>Gowalla</b> <a href="#">map</a> <a href="#">review</a>	
3	<b>Brightkite</b> <a href="#">map</a> <a href="#">review</a>	
4	<b>Plazes</b> <a href="#">map</a> <a href="#">review</a>	
5	<b>Hotlist</b> <a href="#">map</a> <a href="#">review</a>	
6	<b>Whatser</b> <a href="#">map</a> <a href="#">review</a>	
7	<b>JustSpotted</b> <a href="#">review</a>	
8	<b>Babbleville</b> <a href="#">review</a>	

- Facebook recently bought Gowalla
- Brightkite shut down
- Foursquare is number one player in US and world
- Geolocation is the keyword for the future: Facebook, Google, Yelp have check-in services (Facebook Places, Google Latitude)

# Foursquare is taking over the world

## **Foursquare by the numbers (January 2012)**



- Based in NYC, founded by Dennis Crowley who launched also Dodgeball.com (sold in 2005 to Google)
- Community: Around 15 million people worldwide (50% of the users are in the US)
- Over 1.5 billion check-ins
- Businesses: Over 600,000 using the Merchant Platform, 6,300 using the Brand Platform
- Two Foursquare experiences: Foursquare on mobile devices and the Foursquare website
- Business model: free for users and merchants except for Partner Badges. Partner of Groupon, LivingSocial and other daily deals providers

# How does it work? Foursquare demo

Mobile experience:

- [http://youtu.be/crL\\_kyTVQjY](http://youtu.be/crL_kyTVQjY)

Online experience:

- [https://foursquare.com/julia\\_frediani/list/our-favorite-places-in-seattle](https://foursquare.com/julia_frediani/list/our-favorite-places-in-seattle)

# Foursquare for business: first option

## Merchant Platform (e.g. small business)

Opportunity: find new customers and form deeper connection with the best ones

Three steps:

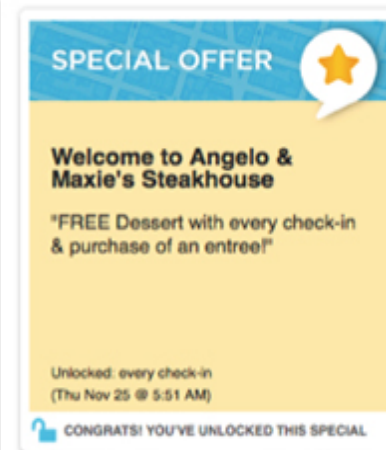
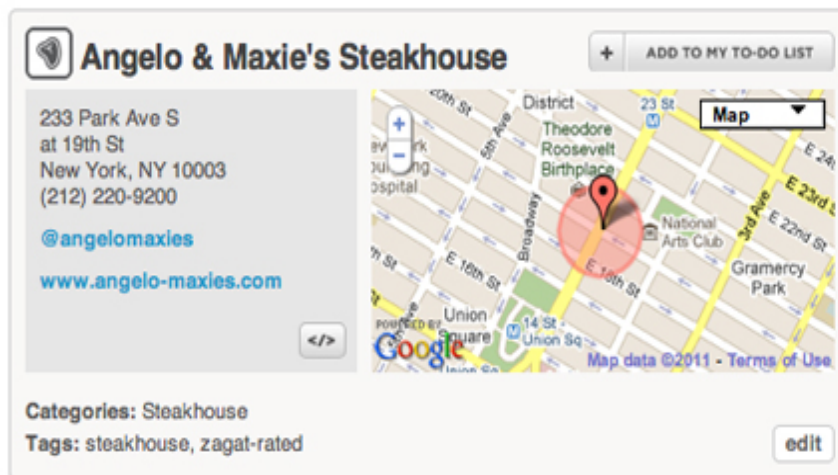
1. Claim the venues (find your listing on Foursquare; claim it; verifying you're the manager or owner)
2. Create the specials (a discount with purchase, something for free, special treatment, reward your best customers)
3. Access to real-time data about your customers (instant time dashboard)



# Case study: a classical campaign

## Angelo&Maxie's steakhouse

- Goal: differentiate themselves from the sea of steakhouses in Manhattan
- Create a check-in special: free dessert to Foursquare members who purchased an entree
- Results: 400 people unlocked the check-in specials, 60% new customers, estimated R.O.I. of 18K \$



# Case study: a creative approach

## GranataPet Snack Check

<http://www.youtube.com/watch?v=t8dmjoqOOQo>

### Results:

- 28% lift in sales during and after campaign
- 100 check-ins the first day
- 14% lift sales year over year



# Foursquare for business: second option

Brand Platform (e.g. big brands with or without points of sale)

Opportunity: Connect with followers all over the world

Four offerings:

1. Create a page (only on the website) and give Tips. Add the "Follow" button and visitors will see the Tips when they're in the proximity <https://foursquare.com/mashable>
2. Save to Foursquare button (visitors get reminders when they're near the places the brand suggests; <http://timeoutnewyorkkids.com/thelists/193699/ice-skating-rinks>)
3. Partner badges - the only offering with a fee (ex Gym Rat, Warhol etc)
4. API platform (enables developers to customize the experience)



# Case study: beyond the numbers

## History Channel

Goal: getting people excited about history and fun facts and “deepen [the] social engagement with the network’s viewers.”

Campaign: When users checked in to sites like the Highline in NYC or the Tower of London, a tip from The History Channel popped up, explaining some tidbit or fun fact about the background of the site. HC created also a Partner Badge to encourage exploration of historical venues.

Results:

- over 10K people unlocked the History London Badge within the first month
- HC left over 600 tips
- HC brand page picked up over 20K new followers in a month and now has 200K
- HC implemented a large PR campaign to promote the partnership



# Conclusions

- Overall Foursquare represents a great marketing opportunity for small local businesses (more than for big brands). But:
- Still small numbers compared to 14 millions downloads of Whitepages app for iPhone
- Recent study by Beyond and Mashable: only 17% of smart phone users checks in. 48% has privacy concerns.
- Hot seat: competing with Facebook Places and Google Latitude on one side and Yelp and Open Table on the other
- The business of specials is risky: constant discounts and lures tend to have a negative impact on brand and relationship with the client
- Expect Foursquare to charge for customized data in the next future and become Groupon competitor